## **Introduced by Senator Speier**

January 30, 2002

An act to amend Section 5505 of, and to add Sections 521.5, 543.5, and 593 to, the Vehicle Code, relating to salvage vehicles.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1331, as introduced, Speier. Salvage Vehicles.

Existing law requires an inspection by the Department of Motor Vehicles of any total loss salvage vehicle, or certain dismantled vehicles, when application is made to register the vehicle. Existing law also provides that the department may request an inspection of the vehicle by the Department of the California Highway Patrol, as specified. These provisions of law will be repealed as of January 1, 2003.

Existing law defines a "total loss salvage vehicle."

This bill would provide that an inspection by the Department of Motor Vehicles would not preclude referral to the Department of the California Highway Patrol for an additional inspection of the vehicle, as specified. This bill would also provide that if the vehicle was originally manufactured with a "supplemental restraint system" as defined, that the reconstructed vehicle would be required to be equipped with a like supplemental restraint system in good working order. This bill would also delete those provisions repealing the above-described provisions of law.

This bill would define the terms "revived salvage vehicle," "salvage vehicle rebuilder," and "supplemental restraint system." This bill would require a salvage vehicle rebuilder to provide the buyer of a salvaged vehicle, as specified, with a certificate of inspection, upon sale or transfer of the vehicle, as specified. Violation of these provisions

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would be a misdemeanor, punishable by imprisonment in a county jail, or a fine, or by both imprisonment and fine, as specified.

By creating a new crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- SECTION 1. Section 521.5 is added to the Vehicle Code, to read:
- 521.5. "Revived salvage vehicle" means a total loss salvage vehicle as defined in Section 544, that has been rebuilt or restored to legal operating condition with new or used component parts.
- SEC. 2. Section 543.5 is added to the Vehicle Code, to read: 543.5. (a) "Salvage vehicle rebuilder" means any person who rebuilds a revived salvage vehicle, as defined in Section 521.5.
  - (b) No salvage vehicle rebuilder may sell or transfer ownership of any vehicle that is subject to inspection as described in Section 5505, unless a certificate of inspection issued by the Department of the California Highway Patrol or by the Department of Motor Vehicles is provided to the buyer upon sale or transfer. Responsibility for compliance with this section shall rest with the salvage vehicle rebuilder selling or transferring the vehicle.
  - (c) Violation of this section is a misdemeanor punishable as follows:
  - (1) Upon a first conviction, by a term of imprisonment in a county jail not exceeding 120 days, or by a fine not exceeding five hundred dollars (\$500), or by both imprisonment and the fine.
  - (2) Upon a second or subsequent conviction, by a term of imprisonment in a county jail not exceeding 240 days, or a fine not exceeding one thousand dollars (\$1,000) or by both imprisonment and the fine.

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SEC. 3. Section 593 is added to the Vehicle Code, to read:

 593. "Supplemental restraint system" means an automatic passive restraint system consisting of a bag that is designed to inflate upon collision, commonly referred to as an "airbag."

- SEC. 4. Section 5505 of the Vehicle Code is amended to read: 5505. (a) This section applies to any vehicle reported to be a total loss salvage vehicle pursuant to Section 11515 and to any vehicle reported to have been dismantled pursuant to Section 5500 or 11520.
- (b) Whenever an application is made to the Department of Motor Vehicles to register a vehicle described in subdivision (a), that department shall inspect the vehicle to determine its proper identity or request that the inspection be performed by the Department of the California Highway Patrol. An inspection by the Department of Motor Vehicles shall not preclude that department from referring the vehicle to the Department of the California Highway Patrol for an additional inspection if deemed necessary.
- (c) The Department of the California Highway Patrol shall inspect, on a random basis, those vehicles described in subdivision (a) that have been presented to the Department of Motor Vehicles for registration after completion of the reconstruction process to determine the proper identity of those vehicles. The vehicle being presented for inspection shall be a complete vehicle, in legal operating condition. If the vehicle was originally manufactured with a "supplemental restraint system" as defined in Section 593, the reconstructed vehicle shall also be equipped with a like supplemental restraint system in good working order. The inspection conducted pursuant to this subdivision shall be a comprehensive, vehicle identification number inspection.
- (d) An A salvage vehicle rebuilder, as defined in Section 543.5, or other individual in possession of a vehicle described in subdivision (a), who is submitting the vehicle for registration as described in subdivision (b), shall have available, and shall present upon demand of the Department of the California Highway Patrol, bills of sale, invoices, or other acceptable proof of ownership of component parts, and invoices for minor component parts. Additionally, bills of sale and invoices shall include the year, make, model, and the vehicle identification number of the vehicle from which the parts were removed or sold, the name and signature

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of the person from whom the parts were acquired, and his or her address, and telephone number. To assist in the identification of the seller of new or used parts, the number of the seller's driver's license, identification card, social security card, or Federal Employer Identification Number shall be provided by the seller to the buyer on the bills of sale and invoice. The seller of a salvage vehicle, or the agent of the seller, shall inform the purchaser of the vehicle that ownership documentation for certain replacement parts used in the repair of the vehicle will be required in the inspection required under this section.

- (e) As used in this section, the term "component parts for passenger motor vehicles" includes *supplemental restraint systems*, the cowl or firewall, front-end assembly, rear clip, including the roof panel, the roof panel when installed separately, and the frame or any portion thereof, or in the case of a unitized body, the supporting structure that serves as the frame, each door, the hood, each fender or quarter panel, deck lid or hatchback, each bumper, both T-tops, replacement transmissions or transaxles, and a replacement motor.
- (1) As used in this subdivision, "front-end assembly" includes all of the following: hood, fenders, bumper, and radiator supporting members for these items. For vehicles with a unitized body, the front-end assembly also includes the frame support members.
- (2) As used in this subdivision, "rear clip" includes the roof, quarter panels, trunk lid, floor pan, and the support members for each item.
- (f) As used in this section, "major component parts for trucks, truck-type or bus-type vehicles" includes the cab, the frame or any portion thereof, and, in the case of a unitized body, the supporting structure which serves as a frame, the cargo compartment floor panel or passenger compartment floor pan, roof panel, and replacement transmissions or transaxles, and replacement motors, each door, hood, each fender or quarter panel, each bumper, and the tailgate. All component parts identified in subdivision (e), common to a truck, truck-type or bus-type vehicle, not listed in this section, shall be considered as included in this section if the part is replaced.

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(1) "Major component parts for motorcycles" includes the engine or motor, transmission or transaxle, frame, front fork, and crankcase.

- (2) "Minor component parts for motorcycles" includes the fairing and any other body molding.
- (g) If the vehicle identification number, year, make, or model required under subdivision (d) cannot be determined, the Department of the California Highway Patrol may accept, in lieu of that information, a certification on a form provided by that department, signed by the person submitting the vehicle for inspection, that the part was not obtained by means of theft or fraud.
- (h) This section shall remain in effect only until January 1, 2003, and as of that date is repealed, unless a later enacted statute, that is enacted on or before January 1, 2003, deletes or extends that date.
- SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.